

**TESTIMONY OF
YALE-NEW HAVEN HOSPITAL
BEFORE THE
APPROPRIATIONS COMMITTEE
Friday, March 4, 2011**

HB 6380, AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2013

Yale-New Haven Hospital (YNHH) appreciates the opportunity to submit testimony concerning **HB 6380, AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2013.**

YNHH provides sensitive, high-quality health care to all of our patients, and serves as a primary care center for thousands of New Haven-area residents and a referral center for patients from around the state and country. With over 8500 employees, Yale-New Haven is the second largest employer in New Haven and continues to be the State's largest hospital provider of services to people covered by Medicaid. Reaching into the community, we enhance student learning through a number of hands-on partnerships in our schools; provide support to local non-profits; have built homes with our employees through a partnership with Habitat for Humanity; and remain a sponsor of the nursing program at Gateway Community College.

HB 6380 provides the details for implementing the proposed state budget. We ask you to oppose this bill because it cuts \$83 million in funding from the Uncompensated Care and DSH pools, imposes a 5.5 percent tax on hospitals, and makes a number of other reductions and changes to the Medicaid program that will negatively affect Yale-New Haven and the community and patients we serve.

Specifically, if passed as proposed, **Yale-New Haven will lose an additional \$5 million due to implementation of the tax and elimination of the hospital pools.** Last year, YNHH received \$18.6 million from the hospital pools, which reduced the Hospital's **2010 Medicaid shortfall and free care cost to \$148.9 million.** And, while we understand the state is facing an unprecedented budget deficit, we know that imposing a hospital tax or eliminating funding for uncompensated care will hurt the health of Connecticut citizens and the economy of our state.

In addition to the loss from the tax and the elimination of funding for uncompensated care, Yale-New Haven will be impacted by proposals that would cut \$1.1 million for certain hospital outpatient services, reduce non-emergency dental services for adults under Medicaid, and impose cost sharing requirements for certain individuals receiving Medicaid services.

While we prepare for federal health care reform which hopes to expand access to quality health care, we believe there are better options for reducing the state deficit, reducing the cost shift to Connecticut businesses and employees, and helping address the hospital funding shortfall. Medicaid and Low Income Adult (LIA, formerly SAGA) continue to pay less than 70 cents on the dollar of cost. As we move more patients to that payor, we are seeing our shortfalls escalate. The growing number of underinsured and uninsured patients is straining the system. We can ill afford further reductions to hospital funding.

We urge you to oppose HB6380 and thank you for your consideration.